

24 SEP 1997

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Senior Review Panel	Phone No.

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The Director of Central Intelligence

Washington, D.C. 20505

Senior Review Panel

NIC-03603-87
24 September 1987

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

SUBJECT: Philippine Prospects

1. We are increasingly concerned about the content and general thrust of assessments on the Philippines in the wake of the latest coup attempt and its aftermath. Agency and NIC appraisals have clearly been the best of the lot. But we think that too much of what we read on the Philippines derives from dated analyses, a Manila-centric focus, and an overemphasis on the personality and leadership style of Mrs. Aquino.

2. There are obviously major problems at the center of the Philippine Government. But there are also important neglected issues--some outside the capital and many below the surface of events--which suggest that the mid-term future of the Philippines may be far bleaker than the contemporary Community line suggests.

3. We have in mind, specifically, the need for:

a. A current appraisal of the Communist insurgency, which has been steadily gaining ground in the countryside and urban areas, adopting new tactics, and cultivating foreign support. The last comprehensive estimate on its strength and prospects was an August 1985 SNIE: The Philippine Communist Insurgency: It's Accelerating Growth and Implications for the United States. The half dozen or so Philippine estimates since that date have treated the insurgency most cursorily--a paragraph or a page.

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b. A new look at the Philippine military. No consolidated estimate exists on its capabilities to counter the insurgency threat. A current analysis of the military's leadership, readiness, logistics support, command and control, and morale is required.

c. An integrated politico-economic assessment. There have been several good Agency economic appraisals in 1986-1987 but thus far no attempt to project the analyses or the alternative forecasts in terms of their implications for government stability, Philippine politics, or insurgency prospects.

d. An analysis of the increasing spread of Liberation Theology and the activities of some elements in the Church supporting the Communist Revolution and legitimizing CPP/NPA insurgency goals. The movement has begun to take on in the Philippines the same significance it had in pre-revolutionary Nicaragua--and will almost certainly increase. An April 1986 DDI Research Paper: Liberation Theology: Religion, Reform, and Revolution contained a two-page Philippine annex, consisting largely of materials from the 1970s.

e. An appraisal of national-provincial-local relations and their prospects in such matters as law and order, tax collections, social services, land reform, affirmative presence, and the increasing challenge of the CPP/NPA infrastructure.

f. A political analysis of the new Congress in terms of the Nuclear Free Zone and Base issues and what appears to be the organizational lead on these matters Aquino's opponents have already achieved. What interests are represented? How and by whom are they being subsidized? Our reliance on Aquino's hope to keep the nuclear issue ambiguous may become increasingly risky and could pose an unappetizing contingency of an "Aquino or the bases" coup.

4. The foregoing matters--others will no doubt occur to you--involve both collection priorities and analyses. Not all of them should be undertaken on an interagency basis. But it seems clear that we need an improved set of Philippine building blocks.

5. In sum, we believe the leadership the Agency and NIC have displayed on the Philippine problem should be reinforced by a new and urgent effort to broaden the analytical focus, update obsolescent analyses, and produce more rigorously integrated Philippine assessments. If this cannot be done on a Community

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basis, we think the Agency and NIC should now begin to establish greater analytic distance from what seems to us an excessively optimistic estimative line.


William Leonhart


John B. McPherson


James D. Theberge

R.L.W. (in draft & substance)
Richard L. Walker

cc: Chairman, NIC
VC/NIC (Mr. Fuller)
VC/NIC (Mr. Hutchinson)
NIO for East Asia

ODCI/SRP:thelma

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